National Foreign Assessment Center

Secret

25X1

ICO

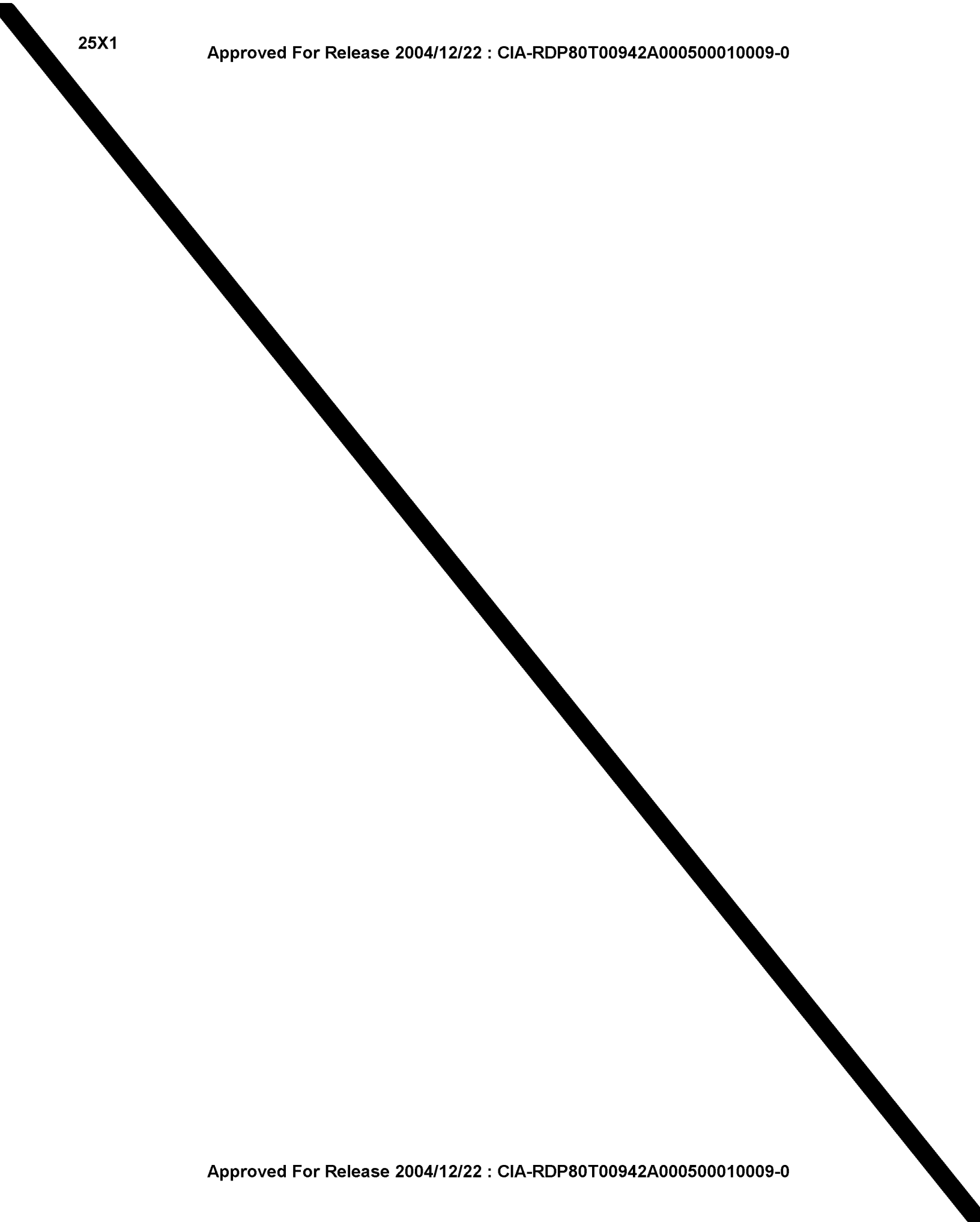
International Issues Review

28 September 1979

Secret

PA IIR 79-008
28 September 1979

Copy 635



Approved For Release 2004/12/22 : CIA-RDP80T00942A000500010009-0

25X1 [redacted]

INTERNATIONAL ISSUES REVIEW [redacted] 25X1

28 September 1979

CONTENTS

25X1 [redacted]

25X1

[redacted]

25X1

25X1

Brazil's Nuclear Program: Dynamics and Prospects [redacted]

The comprehensive character of Brazil's nuclear development program, especially the Brazilians' intention to build uranium enrichment and spent fuel reprocessing facilities, has been a matter of continuing concern to the United States primarily because of the increased risk of nuclear proliferation that is inherent in the acquisition of such technology. The fact that Brasilia refuses to sign the Non-Proliferation Treaty, on nationalistic grounds, adds to this concern. Mounting problems indigenous to Brazil, however, have forced the Brazilians to make major modifications in their original nuclear development plans.

[redacted]

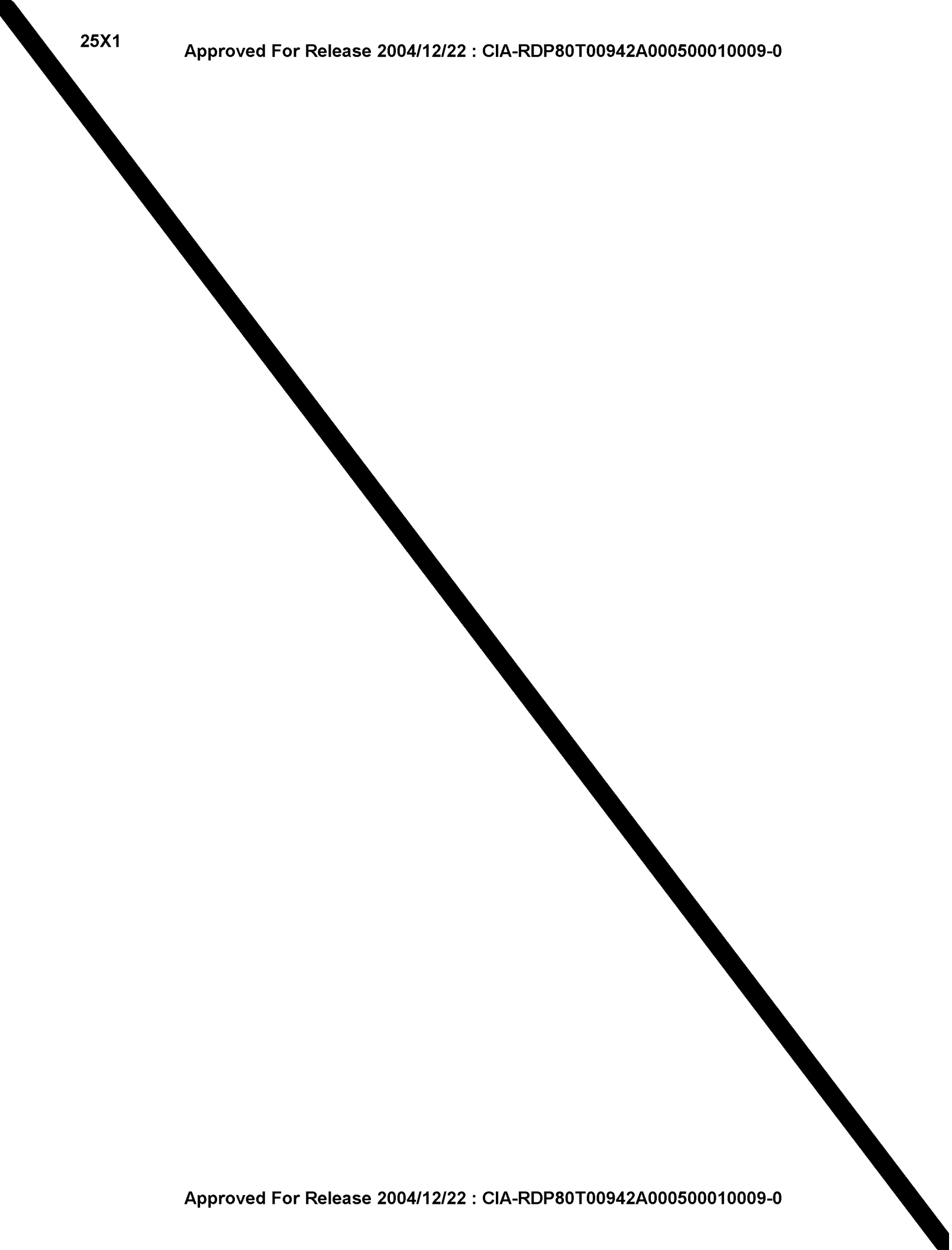
25X1

* * *

The Policy Setting

Four years have passed since Brasilia and Bonn signed the broad bilateral agreement establishing the foundations and directions for Brazil's nuclear program through the early 1990s. For the record both governments still maintain that the accord--which envisages construction of eight pressurized-water power reactors (PWR) and a complete nuclear fuel cycle complex--will be fulfilled in its entirety. It is now virtually certain, however, that parts of the original agreement will be scaled down or left unimplemented as Brazil reassesses its position in the light of experience and changing political and economic circumstances. Implementation

28 September 1979



Approved For Release 2004/12/22 : CIA-RDP80T00942A000500010009-0

has already run into trouble on several fronts. Planning and construction of the nuclear facilities involved are proceeding slowly and somewhat haphazardly and the agreement is coming under increasing criticism within the Brazilian scientific community. [redacted] 25X1

The Brazilians in fact have already had to stretch out their nuclear program and acknowledge unofficially that it will have to be curtailed. [redacted] 25X1

25X1 [redacted] chances of full implementation of the power reactor construction provisions of the Brazilian - West German accord are even more remote than before. [redacted] 25X1

In particular, the Brazilians continue to be fully committed to the construction of a pilot nuclear reprocessing plant. Because of planning difficulties and delays in reactor construction, however, the development of a pilot reprocessing facility may be a decade away, and commercial reprocessing probably will not be justifiable before the late 1990s. [redacted] 25X1

[redacted] 25X1

President Joao Figueiredo, who took office last May, is the first military president with a specific mandate to ease the political restrictions of the authoritarian system erected by the Brazilian armed forces some 15 years ago. Since his accession, the political climate in Brazil has continued to become more open and lively--although gradually and under the watchful eye of the 25X1 military. [redacted]

As a result of these political developments, Brazilians feel much freer than before to examine and criticize the whole spectrum of national policies. Brazil's nuclear program and its nuclear accord with West Germany have become fair game for debate in the Brazilian press, and thus public attitudes toward these issues are acquiring greater political significance. [redacted] 25X1

28 September 1979

Since early last year, various aspects of Brazil's nuclear effort have drawn public fire from a number of politicians, journalists, and scientists--some questioning whether the nuclear agreement with West Germany should have been made at all. This criticism should not, however, be construed as a flagging national commitment to the development of nuclear power. Acquisition of this sophisticated technology is still generally viewed as an important and tangible measure of Brazil's movement toward becoming a major nation and is thus directly tied to the achievement of great power status. Moreover, both Brasilia and Bonn have compelling reasons to implement as much of their sweeping 1975 nuclear accord as possible. 25X1

The Case for Going Ahead: Brazil's View

From Brasilia's vantage point, the development of nuclear power and the acquisition of a complete nuclear fuel cycle are seen as key national objectives for a wide variety of reasons--not the least of which is the Brazilian desire to secure independent and lasting sources of energy to support their top-priority economic development efforts. 25X1

The need to develop new power sources for Brazil's growing cities--especially Sao Paulo, Rio de Janeiro, and Belo Horizonte, which are South America's leading industrial centers--is becoming increasingly urgent. For the near term, at least, hydropower will remain substantially cheaper to develop in Brazil than nuclear energy. The cost of developing remote hydroelectric sites in the far north is higher, but available evidence suggests that the expense of exploiting Brazil's hydroelectric potential will not reach the cost of generating nuclear power until 60 percent of that power has been tapped. Indeed the policymakers have accelerated the development of Brazil's vast hydroelectric resources and intensified exploitation of indigenous coal reserves. Nonetheless they remain concerned that delays in bringing new capacity onstream could result in electrical energy shortages in the 1980s in the face of rapid urban growth. 25X1

28 September 1979

The Brazilians clearly feel that there are other economic benefits to be derived from their ambitious nuclear program, including the expansion and diversification of foreign markets for their exports. Moreover, they believe that mastery of nuclear technology will greatly enhance their international image as an industrially sophisticated nation. In this spirit, Brazil has recently shown signs of interest in building new regional bonds through nuclear cooperation with neighboring Latin American states. This July, for example, Brazilian Foreign Minister Guerrero signed a bilateral memorandum of understanding on nuclear cooperation for peaceful purposes with Venezuela. So far, the Brazilians have only agreed to provide the Venezuelans with training and to exchange information on uranium prospecting and uranium concentration. [redacted] 25X1

Under Brazil's well-established and elaborate defense doctrine, economic development is seen as essential for national security--which Brazilians define very broadly to include social, political, and economic stability. Hence, whatever contributes to national development enhances national security. [redacted] 25X1

Classic military and defense preoccupations, on the other hand, do not now loom large in the calculations of Brazil's nuclear policy planners. Brazil is still largely isolated from the main currents of international tensions and has no fear of military attack from neighboring states. Even its longstanding and, at times, bitter rivalry for regional influence with Argentina--which has the most advanced nuclear program in Latin America--is not at present a major motivating factor behind Brazil's nuclear ambitions. On the contrary, the relationship between Brazil and Argentina has become increasingly cooperative with the rapid expansion of bilateral trade.

25X1 [redacted]

There has even been considerable talk--both public and private--about potential bilateral nuclear cooperation between the two countries. Fundamental differences in reactor design as well as issues of nationalist competition will probably continue to restrict the degree of cooperation, but it is possible that the two nations

28 September 1979

might adopt a common strategy in opposition to supplier-imposed restrictions on the transfer of nuclear technology. Argentina and Brazil might also agree to extensive cooperation in the production of radioactive isotopes for medical and industrial purposes. [redacted] 25X1

Nonetheless, Brazilian leaders are well aware that their regional security concerns could become more pressing over the next few years. They would see their interests threatened if any of the continent's simmering disputes--for example, the territorial disagreements between Chile and Argentina and between Chile and Peru--were to erupt in fighting. Moreover, no conscientious Brazilian planner would be willing to gamble on Argentina's ultimate intentions or, despite the currently peaceful nature of Brasilia's nuclear program, to argue that Brazil should unilaterally foreclose the nuclear weapons option. 25X1 [redacted]

. . .and West Germany's View

The Schmidt government is dismayed at the complications that have delayed implementation of joint nuclear projects with Brazil. But there are several considerations that will strongly motivate the West Germans to follow through on the commitments they made in the 1975 agreement. In general they believe that the Federal Republic must protect its reputation as a reliable supplier of nuclear equipment and technology. [redacted] 25X1

Perhaps the most important specific consideration for the West Germans is the huge economic stake they now have in the Brazilian deal. If the agreement flounders, the consequences would be catastrophic for the West German nuclear industry, which is already in serious financial difficulties. The prospect of government subsidies to save the nuclear industry--on top of the $8 billion Bonn has already invested in that sector--could become a serious political problem for Chancellor Schmidt when he faces national elections in October 1980. [redacted] 25X1

The West Germans have other important reasons for wishing to keep their nuclear cooperation agreement with Brazil alive. One of the factors that originally encouraged them to send advanced nuclear technology to

28 September 1979

Brazil was the prospect of guaranteed access to Brazilian uranium. While the current freeze on new reactor construction in the Federal Republic strongly suggests that the uranium contracts already signed with the major supplier states might be adequate to meet West German requirements for the coming decade, Bonn still has a substantial political interest in diversifying its source of supply. As part of the original nuclear cooperation agreement, the West Germans were given the right to 20 percent of the uranium discovered and exploited by Nuclam, a Brazilian - West German company. During the past year, the Brazilians have raised the estimate of their commercially exploitable uranium reserves to more than
25X1 100,000 metric tons.

In addition to this vested interest in uranium exploration, the West Germans have a general interest in promoting economic relations with the Brazilians. While Brazil only accounts for a small share of West German exports, the West Germans have substantial nonnuclear investments in this country. The Schmidt government wants to nurture and expand this economic relationship as part of a general effort to penetrate the Latin
25X1 American market.

Constraints on Brazil's Nuclear Aspirations

Limited political liberalization has made it more difficult for the Brazilian Government to keep the expense of the nuclear program from becoming a divisive political issue, particularly when Brazil is suffering from a sustained high rate of inflation and a relative decline in economic growth. At a time of growing preoccupation with socioeconomic problems, spending vast sums on projects with no short-term, highly visible payoff has not gone unchallenged. Nevertheless, the domestic debate over Brazil's nuclear program has remained moderate in tone. (It is worth noting that, for whatever reason, the reprocessing aspects of the nuclear program have been spared from public criticism.) 25X1

While the shift in the domestic political environment undoubtedly contributed to Brasilia's decision to stretch out and pare down its original nuclear plans, economic constraints were the determining factors. First, soaring costs are undermining Brazil's ability

28 September 1979

to pay for the ambitious program. The original estimate of $5 billion for reactors and associated facilities, for example, may quadruple. Moreover, expensive nuclear power plants have become increasingly difficult to justify in view of the slower-than-anticipated growth in consumption of electricity. [redacted] 25X1

Other broad economic developments are also undercutting Brazil's ability to absorb the escalating costs of the nuclear program. Persistent inflation, combined with less rapid economic growth, is squeezing government funding allocations for infrastructure projects. Brazil's mounting foreign debt--presently over $43 billion--is limiting its ability to import sophisticated foreign equipment in the amounts required for its nuclear program. Although Brazil's generally favorable credit rating would enable it to secure additional foreign financing for its nuclear imports, the cost would be high and the availability of foreign credits for more productive economic ventures would be reduced. [redacted] 25X1

Finally, Brazil's lack of an extensive high technology base has made it difficult to carry out its nuclear program. Although the infrastructure set up by Brazil and West Germany for the implementation of their accord (including the transfer of technology) is sound enough, the Brazilians remain severely hampered by a lack of trained personnel and, more generally, practical experience in nuclear and related matters. Indeed, the long time required to train the large number of personnel needed in both the technical and industrial fields has been responsible for much of the slippage in the implementation of Brazil's nuclear program so far. Inexperience and recourse to trial-and-error methods can also be blamed in part for the soaring costs in all sectors of the program--and in reactor construction in particular. [redacted] 25X1

Thus far, foreign events and international pressures have had no discernible dampening effect on Brasilia's determination to implement its nuclear program. Indeed, a number of external developments and pressures--for example, the dramatic increase in the cost of oil due in large part to the pricing policies of the Organization of Petroleum Exporting Countries--have had precisely the opposite effect. [redacted] 25X1

28 September 1979

Looking Ahead

Predictions concerning the future of Brazilian - West German nuclear cooperation and of Brazil's nuclear program as a whole are difficult because Brasilia will continue to be pulled and pushed in opposite directions by a wide array of political, economic, technical, and security considerations. Soaring costs, economic slowdown, and technical difficulties will operate as in the past to delay and stunt the program. Expected further increases in the price of imported oil, the logic of Brazil's quest for energy independence, and the nation's aspirations to great power status will continue to reinforce Brazilian determination to preserve and implement as much of the nuclear program as possible. 25X1

For at least the next year or two these opposing factors seem likely to offset each other and thus allow Brazil's nuclear program to develop along the more modest lines that have been emerging in recent months. Whether this tendency persists will depend in part on the shifting political, economic, and technological environment, both regional and global. Nonetheless, Brazil will continue to be highly resistant to outside pressures to alter its plans in the interest of reducing the attendant proliferation risks. 25X1

Over the next several months, Figueiredo will probably not be under much domestic political pressure to make further changes in Brazil's nuclear program, partly because the changes already made have made it easier to defend the program. The worsening economic climate in Brazil will, however, create further problems with respect to developing nuclear power that could have a significant effect in the longer run. To cope with an annual inflation rate of 50 percent (and perhaps more), Brasilia has cut the budgets for government agency expenditures. In addition, the government's recent prohibitions on commercial bank loans to state entities--another feature of its anti-inflationary package--place financial restrictions on Nuclebras, the state-owned nuclear holding company, that will limit its ability to fund investments. 25X1

28 September 1979

Imports of foreign equipment critical to Brazil's nuclear program will also be harder to manage this year because of a record current account deficit of $8-9 billion. Moreover, the rising cost of servicing Brazil's Eurodollar debt will reduce the amount of foreign exchange available to Nuclebras for purchase of nuclear hardware. 25X1

Because of Brazil's worsening economic climate, it also seems likely that:

-- Brazil will buy no more than four--and possibly as few as three--of the eight German reactors originally provided for in the 1975 accord.

-- The Brazilians will eventually abandon, because of both cost and technological considerations, tentative plans to expand their projected demonstration-scale Becker nozzle uranium enrichment facility to a commercial-scale plant. 25X1

Barring serious problems with the commercially unproven Becker process or unforeseen political or economic difficulties of major proportions, however, we doubt that Brasilia will drop the demonstration-scale uranium enrichment project or otherwise fundamentally alter its current plans to acquire a complete nuclear fuel cycle from West Germany. Nor do we think it likely that Brazil will buy fewer than three power reactors from the Germans. 25X1

While Brasilia has watched the progress of other aspiring nuclear states (especially in Latin America) with keen interest--and while any notable successes achieved by those states might have some stimulating effect on its own nuclear efforts--it is unlikely to be greatly influenced by any of their specific nuclear policies or decisions unless those moves appear threatening. In particular, a decision--whether voluntary or involuntary--on the part of another state to forgo acquisition of a complete nuclear fuel cycle would probably not persuade the Brazilians to follow suit. 25X1

28 September 1979

In sum, President Figueiredo, who enjoys the advantage of not being publicly indentified with the original 1975 nuclear accord, has quietly but effectively lowered his government's sights on the nuclear program because of major economic and technical problems. Further slippage and "adjustments" seem likely, especially in the longer run. Nonetheless, there is little reason to expect that Figueiredo--whose term expires in 1985--or any of his most plausible successors will abandon the essential elements of a program so closely tied to national pressure to push Brazil back into a stridently nationalistic defense of its nuclear plans. [redacted] 25X1

25X1 [redacted]

28 September 1979

[redacted] 25X1

Regional Arms Control: Regional State Responses to Major Power Actions

Regional arms control has two aspects: restraint by major powers and restraint by the regional states themselves. This article addresses this dichotomy by analyzing the effects that military and diplomatic activity of major powers may have on the willingness of regional states to commit themselves to arms control arrangements. Recent experience indicates that these effects are less important than are regional security concerns and other factors largely beyond the major powers' control. [redacted] 25X1

* * *

Overview of the Problem

The United States has made regional arms control an important element in its overall arms control policy. It has attempted not only to negotiate regional arms restraint with the USSR (for example, in talks on force reductions in Europe and on naval limitation in the Indian Ocean) but also to stimulate initiatives by other states to control arms in their own regions. Smaller states have, in fact, made most of the many regional arms control initiatives of the past two decades. These have included proposals for "zones of peace," nuclear-weapons-free zones, and arrangements for the restraint of conventional arms transfers. [redacted] 25X1

None of these proposals, however, has yet come to fruition. Even the one that has produced a formal agreement (the Treaty of Tlatelolco prohibiting nuclear weapons in Latin America) is not yet in force over the entire region. This suggests a need to consider the extent to which major powers can affect the ability or willingness of other states to commit themselves to regional arms control. How might US and Soviet military and diplomatic activity encourage--or discourage--progress toward regional arms restraint agreements? [redacted] 25X1

28 September 1979

To date, there has been little analysis of this problem and thus no generally accepted analytical framework--or even a set of rival frameworks--that can be applied to it. Nonetheless, there seem to be three possible general answers. One is that regional states will work most diligently for arms control in those regions where outside powers are most active militarily. A second possibility is the opposite: that the military presence of major powers acts as a form of neocolonialism that inhibits the regional states from seeking greater autonomy or security for their region. This implies that regional arms control is almost totally dependent on initiatives by major powers. A third possibility is that the activity of outside powers has little effect on the willingness of regional states to undertake arms control commitments, and that this willingness instead depends more on rivalry and cooperation among the regional states themselves. 25X1

Major Power Military Presence as a Goad

The first alternative is suggested in the accusations by less developed countries (LDCs) that major powers tread on the interests of smaller states when they pursue their worldwide military interests. The LDCs claim that because of this they have the right to exclude an outside military presence from their own regions, particularly regions where that presence is largest and least restrained. One way of doing so is to start constructing a regional arms control arrangement and thereby to pressure the major powers into committing themselves to restraint. 25X1

Past experience suggests that diplomacy by regional states can indeed stimulate such responses by major powers, either by mobilizing sentiment against military activity in a region or by providing the major powers with a convenient opportunity to express a commitment to arms control. For example, the superpowers have accepted the protocols to the Treaty of Tlatelolco that apply to their own activities, even though both the treaty and the protocols were initiated and negotiated by the Latin American states themselves. Similarly, commencement in 1977 of the US-Soviet talks on arms limitation in the Indian Ocean followed several years of diplomatic efforts by states in that region to establish an Indian Ocean zone of peace. The recent acceleration of regional state diplomacy directed toward that goal has encouraged the

28 September 1979

neighboring states feel less secure. The exact response by the regional states depends greatly on the type of major power military activity being curtailed. [redacted] 25X1

Superpower restraint in deployment of nuclear weapons outside their territories probably has relatively little effect on the decisions of regional states whether to acquire nuclear weapons of their own. The nuclear powers have already forsworn the use of nuclear weapons against nonnuclear weapons states in most circumstances, and at least for the United States and the USSR, a nuclear strike against a smaller state could be carried out with long-range weapons based thousands of miles away. Proposed regional restrictions on superpower nuclear weapons have involved uninhabited areas (Antarctica, the seabed, or outer space, where nuclear weapons are already prohibited by treaty), Europe (the only region where any war is almost certain to become a US-Soviet war), or the patrol areas for ballistic missile submarines (an issue in the bilateral Indian Ocean talks). None of these is relevant to the decisions of potential developers of nuclear weapons in Asia, Africa, and Latin America. Those decisions will rest instead on the perceived intentions of hostile neighbors and perhaps on the desire for prestige. [redacted] 25X1

Major power initiatives to restrict conventional arms transfers to a region are more likely to evoke regional state responses because an arms transfer is an inherently cooperative activity involving both a supplier (usually an outside power) and a recipient (a regional state). Restraint by a supplier may reduce fears of large arms purchases by neighbors and thus make regional states more willing to commit themselves to restrain their own purchases. Nevertheless, the exact response depends on how a restraint scheme appears to affect local military balances. Even a multilateral agreement involving all major suppliers could increase a regional state's fears if that state were at an earlier phase in a weapons modernization program or were more dependent on imported arms than an adversary. Furthermore, larger regional states that are budding arms producers may view such an arrangement as increasing both the need and the opportunity to accelerate their own production of weapons. [redacted] 25X1

28 September 1979

Restrictions on deployment of the major powers' own conventional forces, although not as closely linked to restraint by regional states as curtailment of arms transfers would be, are more relevant to the security concerns of these states than are restrictions on the employment of nuclear weapons. At least some of the larger regional states are able to match the conventional forces that major powers have deployed in their area, even though they cannot hope to be a match on the nuclear level. Once again, however, major power restraint would not necessarily lead to corresponding restraint by regional states. In the Indian Ocean, for example, India's naval forces are roughly comparable to those of the United States or the USSR. An agreement by the superpowers to limit their forces in that region would be unlikely to reduce New Delhi's desire to expand its own naval posture. India probably would see joint US-Soviet restraint as providing an opportunity to establish Indian superiority in that part of the ocean, a longstanding aspiration.

25X1 [redacted]

Regional states are more likely to respond with a reduction in their own forces if they are closely allied with major powers, as in Europe. Regional state restraint there, however, would be less a response to withdrawals of major power forces than a supplement to such withdrawals. Any reduction in European armed forces that emerged from the mutual and balanced force reduction negotiations would almost certainly be part of the same agreement that provided for withdrawals of US and Soviet troops from Central Europe, even if the agreement provided that it take place later. [redacted] 25X1

In sum, only certain types of major power arms control initiatives are likely to elicit a regional state response. Moreover, that response may be one of less arms restraint rather than more. [redacted] 25X1

Conclusion: The Impact of Local Rivalries

The foregoing analysis casts considerable doubt on each of the first two answers to the question posed at the outset. The arms control diplomacy of LDCs is not as closely related, either as cause or as effect, to the major powers' activity in their regions as much of their rhetoric suggests. The LDCs do not always campaign most

28 September 1979

assiduously for arms control in the regions where major power military activity is most intrusive. Greater arms control efforts by the major powers, however, would not necessarily inspire the LDCs to restrain their own military activity. 25X1

These findings lend support to the third hypothesis--that the arms control activity of regional states depends chiefly on factors outside the control of major powers. The key elements in regional states' decisions seem to be local security considerations and intraregional rivalries. The answer appears even more plausible in light of the difficulty of defining a region that is neither too large nor too small to be a practicable and effective basis for military restraint. On the one hand, a large region is likely to embrace local conflicts whose protagonists are unwilling to accept restrictions, thus spoiling an opportunity for those elsewhere in the region who are willing to accept restrictions. For example, the prospects for arms transfer restraint in Sub-Saharan Africa (one of the regions mentioned by the United States in its arms transfer talks with the USSR) are diminished by the conflicts in the Horn and Zimbabwe-Rhodesia, which would make an agreement difficult to reach even though the less volatile portions of the continent may be ripe for one. On the other hand, almost every region seems too small in the sense of excluding forces that are of concern to some state in the region. The establishment of a zone of peace in either the Indian Ocean or the Mediterranean Sea is hindered for this reason; the security concerns of most littoral states are focused not across the water but inland, at adversaries that would not be included in, or restrained by, such a zone. In short, almost no region is strategically cohesive in all respects. This curtails the willingness of states to accept regionwide restrictions on their military activity--no matter how much the actions of major powers may goad or stimulate them. 25X1

25X1

28 September 1979

25X1

25X1

Combating International Terrorism: Extradition as a Stumbling Block

Disagreements over the political motivations of terrorist suspects have frequently led to tensions among governments otherwise inclined to cooperate on terrorism matters. These differences in perspective have led to tensions among West European states, in US relations with several Middle Eastern countries, and within the United Nations regarding the draft Convention on the Taking of Hostages. Language allowing several interpretations of treaty obligations has allowed, however, a number of nations to join international conventions dealing with terrorists.

25X1

* * *

Western Europe: The Irish Tangle

The assassination of Lord Mountbatten on Irish territory rekindled a continuing UK-Irish dispute over the degree of permissible bilateral cooperation against IRA terrorists. The British have claimed that Ireland has frequently been a haven for Republican terrorists who slip across its borders after raids on Northern Ireland. British hopes for "hot pursuit" of fleeing terrorists, or their extradition to stand trial, have been met with Irish refusals on constitutional grounds. Dublin is legally prevented from extraditing Irish terrorists, since Ireland's 1965 Extradition Act provides that a suspect deserves the right to be tried in his own homeland. Moreover, the Irish wish to retain the option of denying extradition if the offender was motivated by political concerns.

25X1

Using similar legal reasoning, the Irish have balked at signing the European Convention on the Suppression of Terrorism. This agreement seeks to deal with terrorism more effectively by ensuring that certain specific offenses would not be regarded as political crimes, and

28 September 1979

that those involved in such acts would be swiftly extradited and brought to trial in the country where the crime had been committed.* The Convention also requires that in cases where extradition is refused, the offender be brought to trial without undue delay. [redacted] 25X1

The wording of the Convention allowed states, at the time of signature or ratification, to reserve the right to refuse extradition in cases they regard as involving political offenses. A proviso to this escape clause stipulated that a state must take into consideration the motives of the case, the means used, and the threat to public safety when denying extradition for political reasons. [redacted] 25X1

The Convention was agreed to by the 21-member Council of Europe in late 1976 and signed in early 1977 by the entire membership except for Malta and Ireland. Eight countries entered reservations, including six (Italy, Norway, Sweden, Denmark, Portugal, and Cyprus) that stated they would not extradite for political offenses. [redacted] 25X1

Cooperation among West European governments against terrorism has continued since the signing of the Convention. Following a preliminary gathering held in Bern in April 1978, representatives of Austria, Switzerland, Italy, France, and West Germany met in Vienna that September to discuss cooperative measures for combating and detecting terrorist activities. The group agreed on establishing training and armament programs for national antiterrorist specialists. In November 1978, the 63rd meeting of the Council of Europe Committee of Ministers adopted a declaration calling for increased cooperation to combat terrorism, and declared its support for the European Convention on the Suppression of Terrorism. In early 1979, the chiefs of police of several West European metropolitan areas met to discuss cooperation against criminal and terrorist offenses. [redacted] 25X1

*The crimes listed include seizing aircraft; taking hostages; attacking diplomats; using a bomb, grenade, rocket, automatic weapon, letter bomb; or attempting to do any of these things; or being an accomplice of such an attempt. [redacted] 25X1

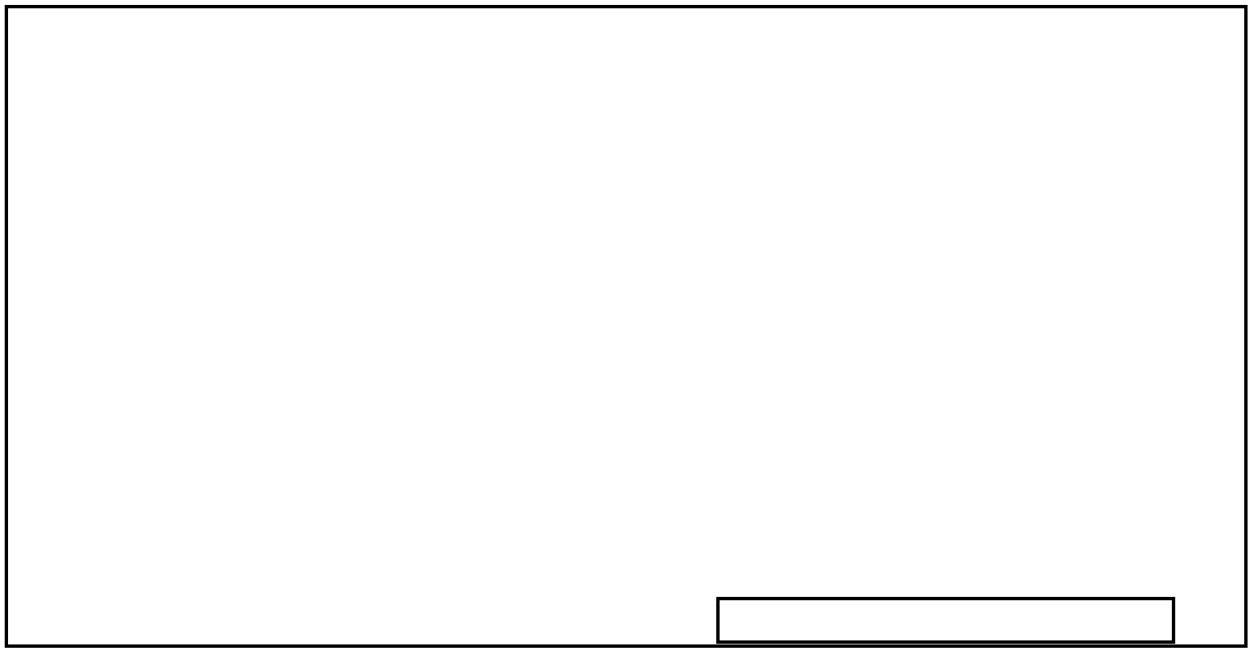
28 September 1979

Hoping to remove an impediment to otherwise harmonious efforts by these nations in dealing with terrorists, the nine members of the European Economic Community have drafted an agreement among themselves to deal with the legal problems of those nations which have refused to sign the European Convention or have signed with reservations. The new agreement, which will be opened for signature in Dublin next month, drops the proviso to the escape clause while still requiring a nation to prosecute a suspect it refuses to extradite. It appears that Ireland will sign this new agreement, hoping to dispel criticism leveled against it for refusing to sign the Convention. 25X1

Despite such legal maneuvers, neither the Nine nor the Council of Europe have been able to arrive at a definition of political crimes that ensures both civil liberties and the need for close cooperation in combating terrorism. 25X1 25X1

25X1

28 September 1979



25X1

25X1

UN Responses

A West German draft convention against the taking of hostages, which had been reported out of its committee earlier this year, has been complicated by the UN General Assembly's effort to resolve a dispute pitting Mexico and Jordan against the West European nations on the extradition issue. Mexico wishes to preserve the Latin American tradition of granting political asylum, while Jordan objects to the possibility of extraditing suspects to--and thereby indirectly recognizing--Israel. These two nations have therefore offered amendments, which were postponed for plenary consideration by the General Assembly, seeking to make exceptions to the West German draft's mandatory extradite-or-prosecute rule.

25X1

Despite these sticking points, prospects seem bright for eventual passage of the hostages convention by the United Nations. The final sessions of the drafting committee show a spirit of cooperation between the proposal's initiators and the less developed countries. Moreover, several LDCs have recently joined the four major UN conventions against international terrorism, three of which include extradite-or-prosecute provisions. During 1979, Botswana and Nepal adhered to the Tokyo Convention on Offenses and Certain Other Acts Committed on Board Aircraft. Bolivia, Ethiopia, Kuwait, Nepal,

28 September 1979

Sudan, and Togo joined The Hague Convention for the suppression of Unlawful Seizure of Aircraft. Bolivia, El Salvador, Nepal, Sierra Leone, Sudan, and Togo acceded to the Montreal Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation. 25X1 [redacted]

In addition, the United Kingdom and Trinidad and Tobago became parties to the UN Convention on the Prevention and Punishment of Crimes Against Internationally Protected Persons Including Diplomatic Agents. The Contact Group of approximately 20 nations has decided to coordinate another round of demarches to countries that have not yet joined the three antihijacking agreements. Their chances for expanding participation in the conventions are promising--most of the nonsignatories have not yet joined because of bureaucratic delays, not because of fundamental political or legal objections.

25X1 [redacted]

28 September 1979

[redacted] 25X1

A New Dimension for Amnesty International [redacted] 25X1

In September, Amnesty International (AI), the international human rights organization, announced that it would henceforth pay serious attention to human rights violations by "liberation" movements and terrorist groups. AI's tendency until now has been to concentrate on human rights abuses by governments, and to play down the violence committed by political opponents of these governments. Monitoring both categories of abuses systematically represents a significant departure from AI's past practice and will help it to gain a greater international reputation for evenhandedness. Moreover, AI is positioning itself to address some vexing problems faced by democratic governments in combating political violence.

Behind the Decision

As recently as June 1978, AI's position on human rights violations by nongovernmental groups was to deplore such actions privately but virtually ignore them publicly. An AI spokesman at the organization's headquarters in London said at the time that AI regretted politically motivated kidnaping and murder by paramilitary groups in such places as Latin America and Northern Ireland. He added, however, that AI could only demand adherence to human rights standards from established regimes. Respect for such standards was "not to be expected" of groups seeking the forcible overthrow of "constituted governments."

The September 1979 statement issued at AI's annual policy meeting in Brussels thus represented a significant change of pace for the organization. Two reasons were offered for the shift in emphasis:

28 September 1979

-- AI's continued growth in active membership--there are now 200,000 members, up by a third in the two years since AI won the Nobel Peace Prize--make it possible for AI to expand the range of its human rights concerns.

-- For several years various governments have been urging AI not to confine its focus to governmental abuses, but also to look at the other side of the coin.

The killing of Lord Mountbatten and his party as well as 18 British soldiers by the Provisional IRA ("Provos"), which occurred barely a fortnight before the Brussels meeting, probably influenced the timing of AI's decision. The Provos have repeatedly exploited AI's investigations of alleged human rights by security forces in Northern Ireland in order to justify their own continued campaign of terrorism.* 25X1

25X1 [redacted]

Problems Ahead

AI will have its hands full in trying to monitor even a representative sampling of the more than 200 politically violent groups currently operating in more than 50 countries. Though its active membership is increasing rapidly, the full-time AI staff numbers fewer than 150 and the annual operating budget is less than $5 million. Considerable resources will be needed just to make initial contact with most of these groups; reliable information about them will be hard to obtain.

[redacted] 25X1

[redacted] 25X1

28 September 1979

[redacted]

AI will probably seek to tackle the problem incrementally, that is, by reporting on 10 to 20 groups this year, on 50 to 60 next year, and so on. In choosing which groups to monitor first, however, AI will lay itself open to more accusations of using double standards. Many groups will object strongly if they are described under the same general rubric as certain other groups, and few groups will give any cooperation to AI investigators if they know that they will be publicly identified as "terrorists." The organization thus may find itself spending much time and energy in trying to classify politically violent groups into categories acceptable to those groups.

On a more theoretical level, AI's condemnation of the use of duress, including psychological duress, may also have to be reconsidered. AI's traditional view, set forth at length in its 1973 monograph entitled Torture, was to reject the classic defense of the use of duress ("We have in our hands a man who has planted a bomb somewhere out in that city; it will go off in four hours; would you not use every means to save the lives of innocent people?") partly on the grounds that such an extreme case would be very rare, and partly because it would be difficult to set limits on the use of duress once it were permitted at all. AI reasoned that duress could then be logically justified for use "on people who might plant bombs, or on people who might think of planting bombs, or on people who defend the kind of person who might think of planting bombs."

Given the increasing use by terrorists of remote control bombs [redacted] the extreme circumstance referred to in 1973 does not seem to be as rare in 1979. Moreover, AI did not then address the possibility, however remote it might seem even in 1979, that some terrorist group might acquire a weapon of mass destruction. For these reasons it is more difficult for AI to defend the contention that regardless of what kind of bomb is at issue or how many people will be killed, the terrorist suspected of planting it cannot be coerced

25X1

28 September 1979

into revealing its location. Such a position would seem to mock the respect for life implied in AI's opposition to the death penalty.

Confronting a Global Paradox

None of the above-mentioned practical and theoretical difficulties are likely to deflect AI from its intended new course. On the contrary, the process of coping with them, added to AI's cumulative experience in dealing with human rights abuses in a variety of settings, almost certainly will give AI better understanding of the sources of such abuses than it has often shown in the past. In the early and mid-1970s its publications reflected a relatively one-dimensional perception of the cause-and-effect relationship between governmental abuses and the prevalence of political violence perpetrated by nonstate groups. Broadly put, and with a few exceptions, AI maintained that such violence was almost always the reaction to human rights abuses and almost never caused them.

Were this interpretation generally valid, it would logically follow that the worse a country's human rights performance, the more likely it would be for the resulting political climate to nurture the growth of violent opposition; conversely, the better the human rights record, the smaller the likelihood that such groups would flourish. But AI's continuing investigations should have suggested some time ago that the contrary is often true. Of the 50 or more countries presently afflicted with nonstate political violence, the overwhelming majority have either generally good or spotty human rights records. At least 15 of these afflicted countries--for example, several in Western Europe, as well as Colombia, Israel, India, and Sri Lanka--fall into the generally good category.

Regimes with poor human rights records, on the other hand, are rarely so troubled. Where they are--for example, in Afghanistan, Ethiopia, and Angola--it is usually because the regimes have not yet fully consolidated their power. Among Communist states, where the regimes are well established, the one with the best human rights record, Yugoslavia, is the one most often targeted

28 September 1979

by terrorists (in this case from within emigre groups). The threat to the Cuban regime from similar quarters is relatively less serious.*

The cynic's gloss on this situation might be to conclude that the better a country's human rights record, the better the chances for political violence there. A number of West European journalists, officials, and academicians, contemplating the prevalence of terrorism in their respective, democratic countries, have come close to endorsing just that conclusion. After a series of meetings on terrorism in 1977 and 1978, the Royal United Services Institute for Defense Studies in London offered this sweeping, mournful appraisal:

> "Let us make no mistake about it: the only victories that Terrorism has so far won have been over liberal democracy. Thus, in Holland, we have seen compassion strained to its limits by further South Moluccan excesses; in Germany, a still-young and somewhat uncertain democracy has been shaken and injured by the Schleyer murder, and the suicide of Andreas Baader and his accomplices in circumstances which throw grave doubts upon prison security and the integrity of its administrators; in Italy, the Red Brigades mock the state, and the unfortunate Signor Moro has been but one of their victims. The grim Ulster story, of course, continues to unfold, despite revulsion on both sides of the border. . . ."**

There is no reason to expect that AI would accept this appraisal without considerable qualification. Most AI leaders would regard it as politically too reactionary and, in any case, as an inadequate reflection of the recent role of politically violent groups outside Western Europe--for example, in Nicaragua and Iran. What

25X1

28 September 1979

seems more likely is that henceforth AI's judgments on the human rights performance of both governments and violent opposition groups will pay due regard to the ways in which those prone to organized violence sometimes grossly abuse the freedoms guaranteed by their governments.

25X1

28 September 1979

25X1

25X1

Analyzing the Potential for Political Instability in Developing Countries

From time to time the International Issues Division publishes essays which attempt to construct conceptual frameworks to guide the analysis of major global political questions. One such issue that has recently gained new currency is that of the potential for political instability in developing countries. The article that follows is a first attempt to lay out an analytical framework with which an intelligence analyst can better organize the questions that need to be asked about how and why political instability occurs in major developing countries. In a few cases the hope of policymakers may be that greater understanding of the roots of instability in a particular country may help the United States take actions to reduce it or to influence its outcome. A more realistic expectation, however, is that deeper insight into the potential for political instability in a country will better prepare the United States to comprehend the kind of political change that may occur, its possible timing, and its probable consequences.

Questions and comments about the ideas in the article are invited so that our future efforts to cope with the analytical problems posed by this issue and to apply the concepts to country-specific analyses can be improved.

Introduction

The purpose of this paper is to propose a framework for analyzing how and why political instability develops, for detecting signs of its occurrence, and for identifying gaps in critical information. Political instability is, of course, a vague term. As used in this paper, it will refer to acute societal tensions that signal a potential for drastic, often revolutionary change in the political values and rules by which a country is governed, its economy is organized, its social classes are structured, or its external relations are conducted. Lower

28 September 1979

levels of political turmoil are included as a subject of analysis only to the extent that they are harbingers or triggers of sweeping change rather than relatively normal events in the political life of the country. In fact, one of the most difficult but important analytical tasks in dealing with political instability is developing the capability to distinguish between occurrences of turmoil (for example, riots, demonstrations, frequent changes of government) that are indicators of a potential collapse of a system and those that are endemic to routine political life.

The approach suggested in this paper is to develop a systematic set of questions that can be used as a guide for analysis of any country. To be useful as a guide, the questions need to be comprehensive and direct attention to all aspects of a society, so that the possibility of overlooking an important source of instability is reduced. They should also be logically related to each other in two senses. First, any set of questions that seeks to be comprehensive and coherent has to flow from underlying central assumptions about what generally causes political instability. Second, the framework of questions should be organized systematically so that they lead analytically from the general to the specific. That is, answers to questions at one level of generality will assist the analyst frame new, more specific questions that will help organize and elucidate the data available at the moment of analysis.

Outline of the Framework

For the purposes of this paper the central assumptions are as follows: political instability of the kind that results in revolutionary political change is caused by a relative increase in demands by societal groups for goods and services or for relief from what are perceived to be intolerable political or economic burdens, with which the governing elite cannot successfully cope.*

*The governing elite refers to that group of people which controls the essential machinery of government for making and carrying out social, economic, and political policy. A relative increase in demands can occur either because new groups enter the political arena and/or existing groups gain new power, or the government's resource generating and distributing capabilities deteriorate so that demands which were previously sucessfully dealt with can no longer be met.

28 September 1979

Incompetent or unresponsive government performance then leads to increasing disbelief in the government's right to require obedience. The questions outlined below to guide analysis examine the context within which the demands are made; the nature, strength, and interaction of the groups that make them; and the capacities of the government and its associated allies to cope with them.*

A. The Context

1. What aspects of the physical endowment of the country (for example, size, territorial composition, geographic location, boundaries, pattern of population distribution, and so on) might have an effect on the particular kinds of political stress to which the country may be predisposed?

2. What are the cultural and historical factors that influence how demands and needs are expressed in the society, the political impact they will have, and the likelihood the government can meet them?

a. How strong are ethnic, religious, or regional differences in the society? Do they tend to reinforce or run counter to economic or social class differences?

b. What are the basic patterns of authority at various levels in the society (for example, family, institutional, government)? Are they roughly congruent?

*Because the approach suggested here focuses on organized groups as agents of the pressures for change that lead to instability and on the strategies and institutional capacities of governments to cope with these pressures for change, the framework offered may be more suitable for analyzing the potential for instability in relatively advanced developing countries than those that are at a lower level of development. These, however, are the countries usually of most concern to the United States in that whether they are politically stable or unstable will often directly affect vital US interests.

28 September 1979

c. What are the traditional sources of legitimacy for ruling authorities? How easy or hard is it for an authority to lose basic support from other elites? From the masses?

d. What are the normal and generally accepted rules of the game for politics? How effective are they for dealing with new groups?

e. To what degree are personal grievances commonly translated into political demands? What is the level of tolerance for imperfect government performance?

f. What is the traditional level of political violence in the society? How acceptable is it as a political tool?

g. What is the traditional level of corruption in the society? Does it have a political function?

3. What are the major external influences on the country that might stimulate new demands on the government or affect its ability to perform?

a. How integrated is the country's economy into the regional or global economies? What are the most likely kinds of external economic shocks that could create major internal political repercussions? What kinds of developments could shore up a government?

b. What are the strength and nature of the country's strategic significance to stronger neighbors or to major world powers, and what is the likelihood that these external powers will attempt to exert influence on the country's political or economic life?

c. To what extent is the society subject to foreign social, political, or intellectual influences? Do these external influences tend to support the values of the governing elite or run counter to them?

28 September 1979

Commentary

The purpose of studying the geopolitical, historico-cultural, and external context within which present day political, economic, and social activity takes place is primarily to establish baselines from which the meaning of observed events and trends--as they relate to the chances of political upheaval--can be better understood. It is useful, for example, to know that the incidence of political violence in a country is increasing, but it is extremely difficult to use this fact as an indicator of significant political instability unless there is some prior understanding of the capacity of the political culture to absorb political violence in the past. Similarly, a measure of current economic discontent takes on much more analytical usefulness if it can be viewed against background knowledge of the traditional level of political intensity in the society. A politically relatively passive people, for instance, are less likely to translate personal grievances into organized political demands and are more easily co-opted by those in power than the population of a more politically intense society.

Two other good benchmarks for judging the likelihood for political instability are knowledge of patterns of authority and sources of legitimacy in a society. Both can give some indication as to significance of observed or prospective changes in government. In the first case, a potential source of instability can be spotted if it appears that a new government's basic authority pattern (for example, competitive and democratic) is noticeably different from the authority patterns (for example, patronal and hierarchical) at other levels in the society. In the second instance, knowing what have been the most important reasons why people have obeyed their rulers in the past will contribute to estimating what kinds and what level of stress will be necessary for a people to deny the legitimacy of their present regime.

B. The Internal Forces For and Against Change

1. General factors that affect the availability of members for and rate of politicization of groups advocating or resisting change:

28 September 1979

a. What kinds of social changes are occurring that might expand the number of people concerned with, or change their attitudes toward, government performance? This might include changes in educational levels, social and economic mobility, internal migration patterns (such as urbanization), and communications patterns.

b. What kinds of economic changes are occurring that might generally affect the needs or demands of the politically relevant population or expand the number affected by government economic decisions? This might include major increases or decreases in available income or wealth (such as land), new patterns of income and wealth distribution, and changes in productivity and investment.

2. Specific factors which affect the capacities of groups to stimulate or resist change and which affect their interaction:

a. What groups have traditionally levied demands on the government?

b. What new politically active groups have recently appeared, or are soon likely to emerge, that will compete for societal resources? What outlets exist through which their demands or needs can be expressed?

c. What is the intensity of concern, cohesiveness, degree of popular support, and ability to influence government decisions of each of the above groups?

d. What is the quality of their leadership?

e. What is the rate, direction, and type of interaction among these politically relevant groups? What is the net effect of their interaction with respect to increasing or decreasing pressure on the government?

28 September 1979

f. What is the attitude of each group on the efficacy and effectiveness of the government? What is the net effect of their interaction on attitudes about efficacy and effectiveness?

g. What is the attitude of each group on the legitimacy of the government? What is the net effect of their interaction on beliefs about legitimacy?

Commentary

This portion of the analysis focuses on the actual forces for or against change in a society as contrasted with the first section which attempts to establish the boundaries and context within which the activities of these forces take place. For the purposes of this analysis, these forces are defined as groups of politically active or responsive individuals who have common grievances or needs that they attempt to satisfy by making demands on the government for organizational, symbolic, or material resources.

The approach suggested here is to ask two sets of questions. The answers to the first set should shed light on the societal conditions which tend to precipitate the formation of these groups. The second set should reveal how politically potent they are both individually and, in particular, as they interact. Analysis of the groups should indicate not only the kinds of needs they have and the strength with which they levy demands on government but should also uncover the beliefs they have about the efficacy and effectiveness of the government. Efficacy, in this approach, refers to the capacity of a governing elite to specify solutions to the basic problems facing its particular society (that is, the perceived wisdom of decisions of government leaders), while effectiveness refers to the government's ability to actually implement the policies it formulates and to achieve desired results.

The final step in this part of the analysis is to assess the attitudes and behavior of groups as they relate to the groups' perceptions of the government's legitimacy, or its right to require obedience. This

28 September 1979

assessment should be based on an appreciation of to what degree the government is capable of drawing upon traditional sources of legitimacy in the society in addition to how well it seems to be satisfying the demands and aspirations of each group. As with other parts of the analysis, the work will be most revealing if it demonstrates the rapidity and direction of change in a group's position or behavior rather than attitudes or actions at isolated moments. It will also be most useful when it deals with the impact of groups on each other since the movement toward breakdown in political stability is almost always cumulative and is more than the arithmetic sum of strength of demands and level of dissatisfaction with regime performance for any single group.

C. The Capacity of Government To Cope With Pressures for Change or To Implement Change

1. How much of a strategy does the government have for the development and use of resources and power in its society?

a. What are the values on which this strategy is based? Do they tend toward promoting radical change or toward maintaining traditional forms? To what extent do they tend to coincide or conflict with the values of important pressure groups?

b. What are the key policy tradeoffs the government faces and how well does government decisionmaking deal with them?

c. How congruent are the political, economic, and social components of the strategy? How compatible are the government's domestic and foreign policy goals?

2. What institutional capacities does the government need in order to cope successfully with pressures for change?

a. To what extent has it been able to strengthen existing institutions or develop new ones to stimulate the changes it desires?

28 September 1979

b. Has it been able to develop the capacity it needs to block or modify changes it does not desire?

c. Does it have the institutional capacity successfully to adapt its policies and programs to unavoidable changes coming from either the domestic or the foreign environment?

Commentary

In order to limit the level of political instability so that its own existence is not threatened, a government must develop the capacity to regulate the activity of and to create and distribute resources among competing societal groups. This competition is generally for limited resources and usually takes place between those which are already politically powerful and the many new groups which, in societies undergoing significant pressures for change, are becoming politically aware.

The choices that a government must make in coping with what is often a rapidly escalating level of demand for resources usually have both short-term and longer term consequences which are often in conflict. In judging the likelihood of political instability, then, one of the most important aspects of the analysis is to examine whether the government has a strategy with which to organize its choices. A strategy is, in essence, a framework or plan within which the difficult governing decisions can be made about how and where to concentrate scarce resources, which groups shall pay in the short run and which shall benefit, and how to motivate (by incentive or threat) the support from the population generally that is necessary to generate new resources to meet the growing demands.

In examining the government's strategy it is useful to focus on three general questions. First, how radical is the change in values and priorities proposed by the government's strategy from that of its immediate predecessor? Dramatic changes in the desired distribution of political and economic power or in the structuring of foreign relations are likely to place considerable strain on the government's control of its situation because of the discontinuities thus created. A second

28 September 1979

question to consider is what are the most important dilemmas the society faces, given its existing political and economic situation, and does the strategy recognize and attempt to deal with them? The most common dilemmas include key tradeoffs between such choices as consuming existing wealth today or investing for future growth, distributing existing wealth more evenly among individuals or groups or concentrating it in the hands of those judged most capable of multiplying it, whether to permit the acceleration of popular economic and political participation in the modernizing sectors of society or to contain participation so that ability to make decisions about allocation of opportunities and benefits does not break down, and what balance to seek between striving for national unity and permitting some degree of political or economic autonomy by regional or ethnic separatist groups.

A final area to examine is the degree of congruency among the political, economic, and social parts of a government's strategy. Economic decisions that insufficiently consider the amount of political opposition they are likely to create are a harbinger of political instability, as are political decisions that unwittingly reduce the amount of economic resources available for distribution or investment.

In addition to a relatively comprehensive strategy, perceptions of a government's efficacy and effectiveness depend upon its ability to develop the institutional capacities--for decisionmaking and decision enforcement--necessary to translate the strategy into discrete actions. Some of these capacities involve bringing about changes designed to advance values that the government supports and can result in either strengthening existing institutions (such as the educational system) or creating new ones (such as new planning capabilities). Others involve blocking or modifying undesired influence, such as disruptive political activity by groups hostile to the government. A third kind of capacity is the ability to adapt policies to changes in the environment which are essentially not avoidable, such as sharp movements in international terms of trade or crop losses because of bad weather.

28 September 1979

In each case the improved institutional capacity is important for projecting governmental effectiveness in individual policy areas. With regard to political stability, which is generally a longer term proposition, a detailed analysis of the trend in the government's institutional capacity can provide insight into three other elements leading to maintenance in office. First, a general sign that a government will succeed in staying in power is evidence that it is extending its reach from the center to the periphery through institutions that engage more and more of the population cooperatively or, in some cases, coercively. Second, an improving institutional capacity contributes to government stability by providing a high degree of policy continuity. The predictability of policy helps to stimulate cooperation by key groups, even if grudgingly by those who are forced to make sacrifices when they see they have little other choice. Finally, a growing capacity to expand or create new institutions is almost always necessary to foster steady economic growth. Success in the economic realm contributes to political stability by helping to establish the legitimacy of the government and its strategy, by providing rewards for cooperative groups, and by lowering the level of strife caused by competition for scarce resources.

[redacted] 25X1

28 September 1979

Approved For Release 2004/12/22 : CIA-RDP80T00942A000500010009-0